

DEPARTMENT OF STATE REVENUE

LETTER OF FINDINGS NUMBER: 28-940151 CSET

**CONTROLLED SUBSTANCE EXCISE TAX
FOR TAX PERIODS: 1994**

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ISSUE

Controlled Substance Excise Tax-Imposition

Authority: IC 6-7-3-5

Taxpayer protests the assessment of Controlled Substance Excise Tax.

Statement of Facts

Taxpayer was arrested for possession of marijuana. Taxpayer pled guilty to possession of marijuana in June or July of 1994. The Indiana Department of Revenue issued a record of Jeopardy Finding, Jeopardy Assessment Notice and Demand on January 24, 1994 in a base tax amount of \$7,036.00. Taxpayer filed a protest to the assessment. A telephone hearing on the protest was held on September 29, 1999. Further facts will be provided as necessary.

Controlled Substance Excise Tax-Imposition

Discussion

IC 6-7-3-5 imposes the Controlled Substance Excise Tax on the possession of marijuana. Taxpayer admitted that he pled guilty to possession of marijuana. Taxpayer argues that the marijuana belonged to his roommate. He argues that he pled guilty so that his dying roommate would not have to go to jail and could stay home to care for their five children. The reason Taxpayer pled guilty is irrelevant. He was in the house with the marijuana and pled guilty to possession of the marijuana. Therefore, the tax properly applies to Taxpayer in this situation.

Finding

Taxpayer's protest is denied.